

Garrard County Water Association, Inc.

P.O. BOX 670 315 LEXINGTON ROAD
LANCASTER, KY 40444-0670
(859) 792-4501 TTY: 800-648-6056
FAX: (859) 792-1671

May 12, 2006

Beth O'Donnell, Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602-0615

RECEIVED

MAY 15 2006

PUBLIC SERVICE
COMMISSION

RE: Pearson Complaint
Case No. 2006-00183

Dear Ms. O'Donnell:

Enclosed for filing are the original with exhibits and ten (10) copies of the answer of the Garrard County Water Association, Inc.

Yours Truly,



Harold C. Ward, President
Garrard County Water Association, Inc.

Enclosures

cc: Edgar Allen Pearson

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF:

EDGAR ALLEN PEARSON)	
)	
COMPLAINANT)	
)	
VS.)	CASE NO. 2006-00183
)	
GARRARD COUNTY WATER ASSOCIATION, INC.)	
)	
DEFENDANT)	

ANSWER TO COMPLAINT

Comes the Garrard County Water Association, Inc. (“Garrard Water”) for its Answer to the Complaint filed by Edgar Allen Pearson states as follows:

1. On August 10, 2005 Mr. Alan Pearson, the father of Edgar Allen Pearson, made a request that Garrard Water do an investigation of a water line extension to extend service to his property located on White Lick Road in eastern Garrard County (Exhibit 1). Along with this request Mr. Pearson presented a preliminary plat of the subdivision (Exhibit 2).

2. On August 18, 2005, having finished the requested water line extension investigation, a detailed cost estimate and extension layout was mailed to Alan Pearson, the then owner of to be subdivided property (Exhibit 3). This layout would provide water service to all of the subdivided lots as well as the remainder of the property.

3. On August 22, 2005 Alan Pearson filed in the Garrard County Clerk's office the final plat of the subdivision of record in Plat Cabinet 4, Slide 22 of said office (Exhibit 4). The plat established three (3) tracts and a dedicated fifty (50) foot roadway.

4. On November 4, 2005 Alan Pearson sold Tract "A" of the subdivision to Edgar Allen Pearson; said transaction being of record in the Garrard County Clerk's office in Deed Book 235, Page 372.

5. Alan Pearson took no further action on the water line extension until March 22, 2006 when he requested that the plans for the water line extension be submitted to the Division of Water for approval. By letter dated March 28, 2006 the Division of Water approved said plans (Exhibit 5).

6. Garrard Water has filed in its Public Service Commission tariff definitions and procedures for the extension of water lines for subdivisions (Exhibit 6). Garrard Water believes that these regulations are applicable to this complaint. Any ordered deviation to these regulations could have immediate and long term repercussions to the orderly outgrowth of Garrard Water's distribution system

7. Garrard water has demonstrated that Edgar Allen Pearson has purchased a lot in a plotted subdivision that does not have water availability established at this time. Extensions of utilities normally should be included in the sales price of subdivided lots.

For the foregoing reasons, Garrard Water respectfully requests the Public Service Commission to dismiss the complaint filed by Edgar Allen Pearson.

Respectfully Submitted,



HAROLD C. WARD, PRESIDENT
GARRARD COUNTY WATER ASSOCIATION, INC.
P.O. BOX 670
LANCASTER, KY 40444-0670
(859) 792-4501 FAX (859) 792-1671

CERTIFICATE OF SERVICE

This is to certify that I have mailed a true copy of the foregoing Answer this
12th day of May, 2006, to the following:

Edgar Allen Pearson
2008 Greentree Dr.
Richmond, KY 40475



HAROLD C. WARD

CASE NO. 2006-00183
PEARSON COMPLAINT

EXHIBIT 1

EXHIBIT 1

REQUEST

I, Alan Pearson am requesting that The Garrard County Water Association do an investigation of a water line extension to extend service to my property located at White Lick Road. I am making a deposit in the amount of \$1500.⁰⁰ to pay the initial expense for the requested investigation.

/s/ Alan L. Pearson

Date: 8-10-05

Phone(s) (859) 624-0643

2008 Green Tree DR
Richmond

CASE NO. 2006-00183
PEARSON COMPLAINT

EXHIBIT 2

1" = 100 Feet

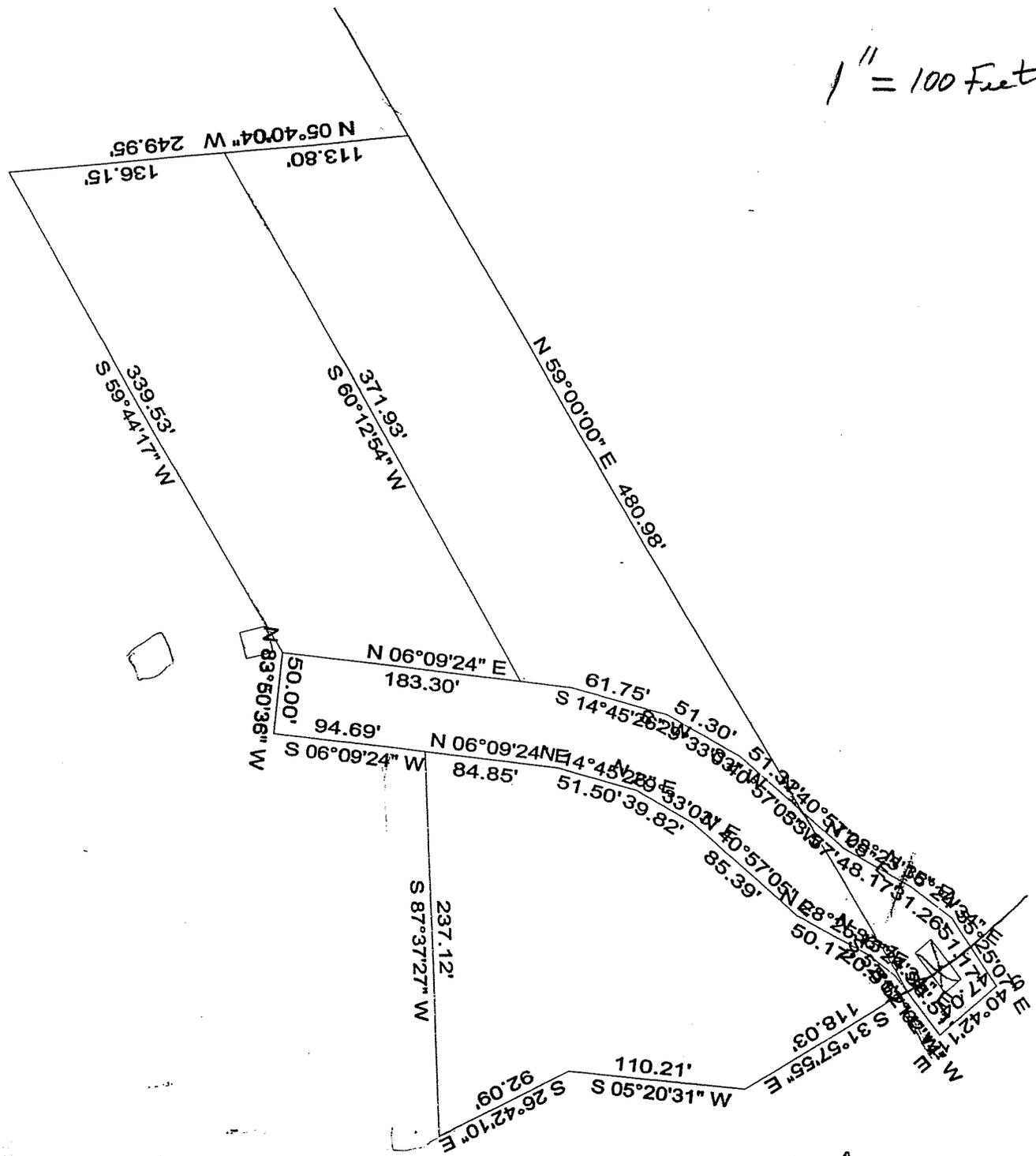


EXHIBIT 2

Creek

CASE NO. 2006-00183
PEARSON COMPLAINT

EXHIBIT 3

GARRARD COUNTY WATER ASSOCIATION

P.O. BOX 670 315 LEXINGTON ROAD

LANCASTER, KY 40444-0670

(859) 792-4501 TTY: 800-648-6056

FAX: (859) 792-1671

Letter of Transmittal

To: Mr. Alan Pearson

Date: August 18, 2005

2008 Greentree Dr.

Re: Proposed White Lick Road

Richmond, Ky, 40475

Waterline extension

The following is attached:

Prints Shop Drawings Plans Other
 Specifications Copy of Letter Information Requested

No. Copies	Description
1	Cost Estimate
1	detailed layout

Remarks: If you have questions, give us a call at
800-203-0557. We shall proceed only after hearing
from you.

cc: _____

Signed: 
Harold C. Ward
President/Executive Director

GARRARD COUNTY WATER ASSOCIATION

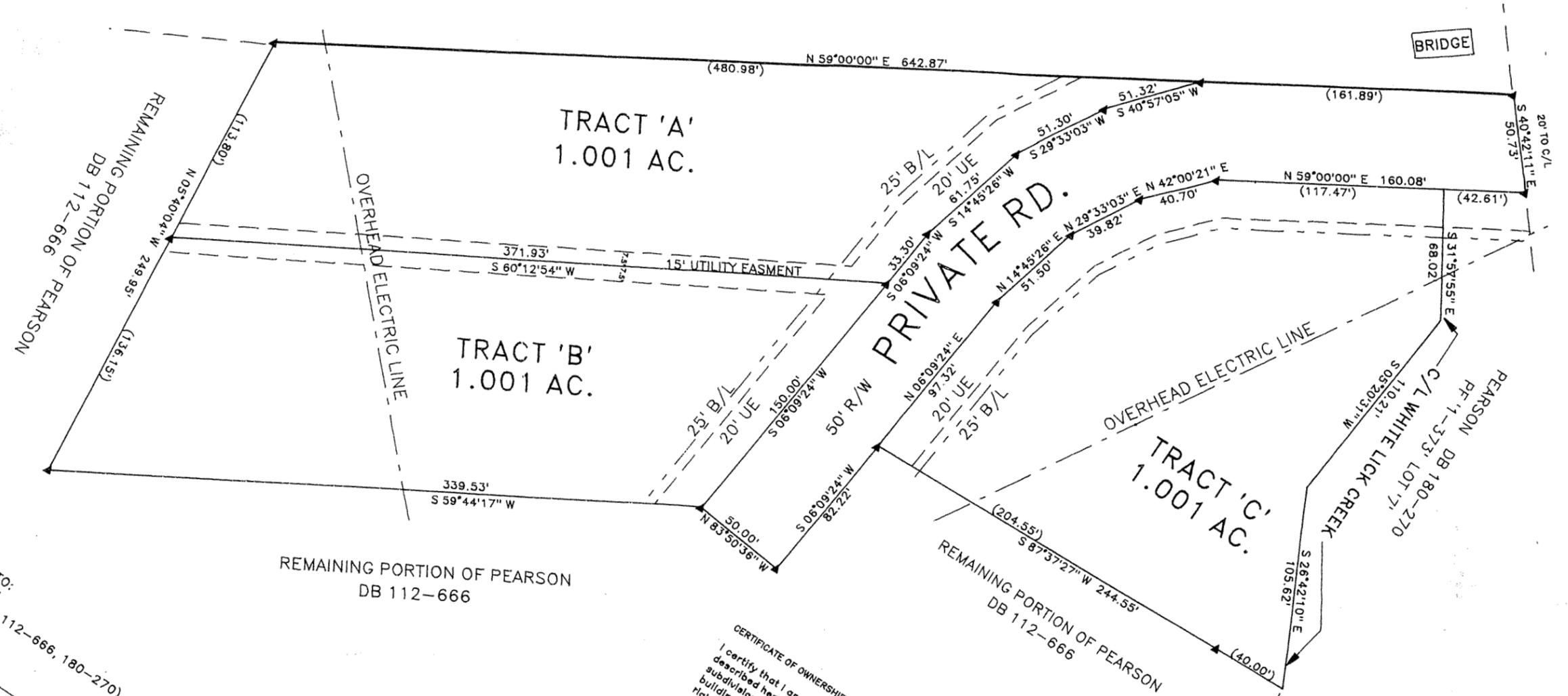
PROJECT COST ESTIMATE
FOR
WHITE LICK ROAD-PEARSON
WATERLINE EXTENSION
AUGUST 17, 2005

1.	Construction Cost Estimate	\$10,809.00
2.	Engineering	
	Design, Drafting and Plans	540.00
	Plan Review (state fee)	150.00
	Project Mgt. and Construction Observation	1,000.00
3.	Legal and Administrative	200.00
4.	Contingency	500.00
	TOTAL	\$13,199.00

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EXHIBIT 4

MORGAN
DB 195-491



PLAT IS TO:
'B' & 'C'
PEARSON (DB 112-666, 180-270)

CERTIFICATE OF OWNERSHIP AND DEDICATION

I certify that I am the owner of the property described herein, and that I hereby adopt this plan of subdivision with my free consent, establish the minimum building restriction line, dedicate all easements and rights-of-way to the public or private uses as noted.

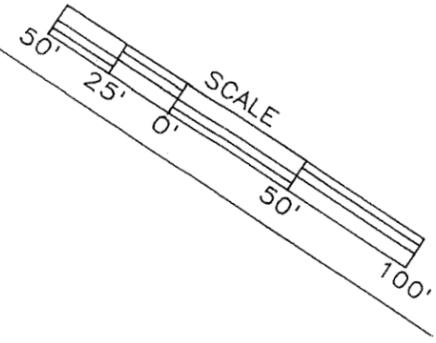
DATE 8/27/05

OWNER Alan Pearson

RECORDED IN DEED BOOK DB 112-666, 180-270

SURVEYORS CERTIFICATE

I do hereby certify under my direct supervision that the error of closure is 1: 27.913 for closure, or L.W. ESTES



1" = 50'

OFF-CONV

PE

ESTES

120

I, STACY MAY, Clerk of Garrard County, do hereby certify that the foregoing is a true and correct copy as found in my office in

Plot Cabinet Book # 4 Page slide 22

This 16 day of May 2006

Attest Stacy May Clerk, Garrard County

By [Signature] D.C.

CASE NO. 2006-00183
PEARSON COMPLAINT

EXHIBIT 5



ENVIRONMENTAL AND PUBLIC PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION

Ernie Fletcher
Governor

Division of Water
14 Reilly Road
Frankfort, Kentucky 40601-1190
www.kentucky.gov
March 28, 2006

LaJuana S. Wilcher
Secretary

Harold C. Ward, President
Garrard County Water Association
P.O. Box 670
315 Lexington Road
Lancaster, KY 40444

Re: Garrard County Water Association
AI No. -33882
DW No. 0400151-06-004
Pearson-White Lick Road Extension
Activity ID: APE200560004
Garrard County

Dear Mr. Ward:

We have reviewed the plans and specifications for the above referenced project. The plans include the construction of approximately 650-feet of 3-inch PVC waterline. This is to advise that plans and specifications for the above referenced project are APPROVED with respect to sanitary features of design, as of this date with the requirements contained in the enclosed waterline extension construction permit.

If you have any questions regarding this decision, please contact Shanaka Ewing, at (502) 564-2225, extension 529.

Sincerely,

Donna S. Marlin
Donna S. Marlin, Manager
Drinking Water Branch
Division of Water

DSM/SCE
Enclosure

CC: Gastineau & Associates
Garrard County Health Department
Public Service Commission
Division of Plumbing



CASE NO. 2006-00183
PEARSON COMPLAINT

EXHIBIT 6

FOR Entire Area Served

P.S.C. KY. NO. 2

SHEET NO. 4

Garrard County Water Association, Inc.

CANCELLING P.S.C. KY. NO. 1

SHEET NO.

RULES AND REGULATIONS

Service Commission or assessed by other regulatory authorities. The cost of an extension includes the costs for both on-site facilities and off-site facilities as defined below in this section.

2. The term "new subdivision" as used herein shall mean any new subdivision or residential and/or commercial lots for which a plat has been filed in the county clerk's office and the subdivider has or will construct roads or streets as public roadways to said lots.

3. The term "lot" as used herein shall mean any plot of ground laid out for building purposes.

4. The term "on-site facilities" as used herein shall include only those water mains with related fixtures and other facilities, if any, to be installed and located wholly within the boundaries of the property to which service is to be extended.

5. The term "off-site facilities" as used herein shall include all water mains with related fixtures and other facilities, if any, to be installed and located outside of the boundaries of the property to which service is to be extended, as said boundaries are depicted on plat of record; in order to deliver an adequate supply of water from existing mains of the Company to the new subdivision or prospective Customer.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DEC 12 1997

PURSUANT TO 807 KAR 5:011,
SECTION 9(1)

BY: Stephan Bue
SECRETARY OF THE COMMISSION

DATE OF ISSUE Nov 10 1997 DATE EFFECTIVE _____
Month Day Year Month Day Year
ISSUED BY [Signature] President Lancaster, KY
Name of Officer Title Address

EXHIBIT 6 cont.

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>7</u>
<u>Garrard County Water Association, Inc.</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Second Revised Sheet No.	<u> </u>

RULES AND REGULATIONS

C. Main extensions for new subdivisions:

1. When an extension of the Company's water mains is requested to be extended into a subdivision, the owner of that subdivision shall submit six (6) copies of the plat as filed in the county clerk's office to the Company with a written request that water service is requested to the property. The proposed extension shall be handled in the following manner:

- I. The subdivision owner shall submit the plats as required above, along with adequate monies to pay for administrative costs, the preliminary engineering work, and a preliminary cost estimate for the construction of the water mains and associated facilities, if any, to include on-site facilities, off-site facilities, if any, engineering costs, legal costs, and administrative costs. When the estimate is completed and presented to the prospective developer, he or she may then decide to proceed or not proceed with the construction.
- II. If the subdivider decides to proceed with the water main extension after reviewing the preliminary costs, the Company will have final plans and specifications prepared. A current estimated cost figure will be rendered to the subdivider showing the cost of on-site facilities and off-site facilities, if any.
- III. Before construction, the subdivider will pay the Company the current estimated cost. The Company will solicit bids from responsible contractors and select the bid that is found most appropriate. The Company shall reserve the exclusive right to select the contractor. If a

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 AUG 1 1990
 PURSUANT TO KRS 207.740(5)(a)
 SECTION 914

DATE OF ISSUE June 19, 1990 DATE EFFECTIVE August 1, 1990
 ISSUED BY *Hafold C. Ward* TITLE: President
 Hafold C. Ward

FOR Entire Area Served
P.S.C. KY. NO. 2
SHEET NO. 8
Garrard County Water Association, Inc. CANCELLING P.S.C. KY. NO. 1
SHEET NO.

RULES AND REGULATIONS

bid is not received at or below the current estimated cost further bids may be solicited or the subdivider may pay to the Company monies adequate to pay the difference of the low and acceptable bid and the current estimated cost.

- IV. Actual construction cost for the extension will be calculated on a "line-item" basis. Other costs associated with the extension will be calculated on an "as incurred" basis. When the construction project is finished, the subdivider will be required to pay any cost above their initial payment for the extension or be refunded any balance not used for the extension.
- V. Actual construction will be observed and supervised by a resident inspector as required.
- VI. Before waterlines will be laid hereunder in any new subdivision, it is understood and agreed that the road surface shall be brought to the established sub-grade; and the developer or builder of such new subdivision shall furnish the Company with a right-of-way agreement suitable in form to the Company, unless the streets of the new subdivision have been dedicated to the public use or suitable utility easements provided by plat.
- VII. Company shall have the exclusive right to determine the type, location and size of mains to be installed and of the related facilities required to render adequate service.
- VIII. For each premise served for which a street service connection shall be directly attached to such main extension between its original beginning and original terminus, excluding connections to further extensions or branches thereof, and crediting no more than one such service connection per building plot, the Company shall refund to the owner of such subdivision on an annual basis an amount equal to fifty (50) feet of the average cost per foot of the construction to include on-site and off-site costs. However, if off-site

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE

DATE OF ISSUE Nov 10 1997 DATE EFFECTIVE DEC 12 1997
Month Day Year Month Day Year

ISSUED BY [Signature] President Lancaster, KY PURSUANT TO 807 KAR 5.011, SECTION 9(1)
Name of Officer Title Address

[Signature]
SECRETARY OF THE COMMISSION

EXHIBIT 6 cont.

	P.S.C. Ky. No.	<u>2</u>
	Original Sheet No.	<u>9</u>
<u>Garrard County Water Association, Inc.</u>	Cancelling P.S.C. Ky. No.	<u>1</u>
	Second Revised Sheet No.	_____

RULES AND REGULATIONS

cost consist of piping and fixtures parallel to an existing distribution main and therefore creates no new service area, those off-site costs shall be calculated separately and refunds paid as perscribed above only if new services are connected to the new parallel pipe.

- IX. The owner of such subdivision, in consideration of an accelerated development of said subdivision to be obtaine through Company's proceeding, on the basis of a prelimina plat, with its plans and specifications and at Company's option, with construction of its mains and facilities, sh warrant to Company that the location and grade of streets curbs, sidewalks, building plots, building lines and utility easements as depicted on said preliminary plat will not be altered or changed in any respect in the fina plat of said subdivision or part thereof and recorded in the Office of the Clerk of the Garrard County Court. In the event the location or grade of streets, sidewalks, curbs, building plots, building lines or utility easement be altered, amended or changed in a final plat or in an amended plat of said subdivision, whether such changes are made with or without the consent of said subdivider, and in the event such alteration, amendment of change requires, in the sole judgment of the Company, the re-location, removal, replacement, reconstruction, change in site or additions to the mains and related facilities, th subdivider shall indemnify and hold harmless Company of and from any and all damages and costs of such removal, replacement, relocation, reconstruction and any and all other expenses or costs resulting to Company because of t change of location or grade of streets, curbs, sidewalks, lots, building lines or utility easement in said subdivis or part thereof.

PUBLIC SERVICE
 OFFICE
 EFFECTIVE

AUG 1 1990

DATE OF ISSUE June 19, 1990 PURSUANT TO
 DATE EFFECTIVE August 1, 1990
 ISSUED BY Harold C. Ward BY Harold C. Ward TITLE: President